Non-Disclosure of Rate of Interest as an Unfair Trade Practice

1722. SHRI PARMESHWAR KUMAR AGARWALLA: Will the PRIME MINISTER be pleased to state:

(a) whether the attention of Government has been invited to a news-item in Economic Times of 13th July, 1995 captioned "Interest rates deceptive appearances";

(b) if so, whether the non-disclosure of effective rate of interest would be considered as Unfair/Restrictive Trade Practice within the provisions of the MRTP Act of any other provisions of law; and

(c) what action Government propose to take to curb such a practice being followed by some of the foreign banks, housing and consumer durable finance institutions/companies both public and private and other institutions?

THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE & COMPANY AFFAIRS (SHRI H.R. BHARDWAJ): (a) Yes, Sir.

(b) and (c) The said news item has discussed the issue in general without naming any particular company indulging in such dealings. If any specific case of this nature, which *prima facie* appears to be unfair/restrictive trade practice within the provisions of MRTP Act, comes to the notice MRTP Commission it is empowered to take required necessary action.

In past the MRTP Commission has initiated action wherever such specific cases were brought to its notice. It has instituted Unfair Trade Practice Enquiries against M/s. Apple Leasing and Industries Limited, and M/s 20th Century Financing Corporation Limited for making claims in respect of interest rate for car financing.

Growth rate of Industry

1723. SHRI G.G. SWELL:
SHRI CHIMANBHAI MEHTA:

Will the Minister of INDUSTRY be pleased to state:

(a) the growth rate of Industry from April, 1994 till date;

(b) what is the projection of the industrial growth rate in the current and next year;

(c) how much of the proposed investment amounting to Rs. 1,07,000 crores in 1994 and Rs. 77,000 crores in 1993 has materialised;

(d) what is the total foreign investment proposed and already made since 1991;

(e) whether it is a fact that industry requires cheaper finance through removal of the restriction for corporate investment and deposits; and

(f) if so, what are the hurdles?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRIMATI KRISHNA SAHI): (a) As per the latest Quick estimates released by CSO, the overall growth of industrial production during 1994-95 (April, 1994 to March 1995) has been 8.4 percent.

(b) Targets for the overall industrial growth are not fixed on a year to year basis.

(c) During the years 1993 and 1994, a total of 4456 and 4664 IEMs with proposed investment of Rs. 63,976 and Rs. 88,771 crores, respectively, were filed. Actual implementation of the proposals depend on various factors such as availability of finance, power and other infrastructural facilities.

(d) The total amount of foreign equity involved in the proposals approved during August 1991 to March, 1995 is Rs. 24,310 crores. The actual direct foreign equity inflows during 1991-92 to 1994-95 have been Rs. 5,216 crores.